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Foreign CROPS AND MARKETS

OFAR

VOLUME 63 NUMBER 5

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FOR RELEASE

MONDAY

JULY 30, 1951

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AUG 2 1951
U.S. DEPARTMENT OF AGRICULTURE

UNITED STATES DEPARTMENT OF AGRICULTURE
OFFICE OF FOREIGN AGRICULTURAL RELATIONS
WASHINGTON 25, D.C.

LATE NEWS

The 1950-51 cotton crop in the Union of South Africa is privately estimated at 14,000 to 15,000 bales (of 500 pounds gross) compared with 6,000 in 1949-50 and an average of only 1,300 bales for the previous 10 years. A crop previously expected to reach 25,000 bales this year was reduced by insect infestation. Potential production under favorable conditions is placed at upwards of 50,000 bales. Current prices paid to growers range from 35.4d to 35.6d (46.7 to 49.0 U.S. cents) a pound for ginned cotton.

Part of the stimulus for increased production is provided by a rapidly expanding mill industry that consumed around 42,000 bales in 1950-51 compared with 10,000 in 1946-47. Further anticipated expansion may result in annual mill consumption of nearly 150,000 bales within the next 3 or 4 years.

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Consumption of cotton by Canadian textile mills during June 1951 totaled slightly more than 41,000 bales (500 pounds gross weight), or about 3,000 bales below consumption in the previous month. During the 11-month period August-June 1950-51, Canadian mills consumed 451,000 bales, compared with 389,000 bales during the corresponding period of 1949-50.

FOREIGN CROPS AND MARKETS

Published weekly to inform producers, processors, distributors and consumers of farm products of current developments abroad in the crop and livestock industries, foreign trends in prices and consumption of farm products, and world agricultural trade. Circulation of this periodical is free in the United States to those needing the information it contains in farming, business and professional operations. Issued by the Office of Foreign Agricultural Relations of the U.S. Department of Agriculture, Washington 25, D.C.

INTERNATIONAL TRADE IN DAIRY PRODUCTS INCREASES IN 1950 1/

International trade in dairy products in 1950 was well above that of 1949 and of prewar levels in selected countries. The combined weight of exports of butter, cheese, canned and dried milk in 1950 was 2 percent greater than that of 1949 and 33 percent greater than prewar levels. The milk equivalent of these exports in 1950 was 8 percent more than that of 1949 and 3 percent more than that of prewar. These changes in both product weight and milk equivalent of dairy products trade reflect changes not only in the amount of trade but also in the relative importance of the individual products as compared to prewar levels.

Butter accounts for relatively less of the dairy products trade while cheese, canned and dried milk are all relatively much more important. Exports of butter in 1950, although 13 percent more than those of 1949, were 8 percent lower than prewar levels. Cheese exports were 3 percent more than those of 1949 and 30 percent above prewar levels. Canned milk trade, although 7 percent less than in 1949, was 50 percent greater than that of prewar. The greatest changes, however, in international dairy trade took place in the exports of dried milk and especially in nonfat dry milk. Exports of dry whole milk were 5 percent less than in 1949 but were more than 3 times greater than prewar. Nonfat dry milk trade was 6 percent less than in 1949 but more than 15 times greater than prewar levels.

The changes in the relative importance in international trade of the individual dairy products as compared to prewar levels are a result of changes in milk production, utilization and consumption in many countries. Total milk production is above prewar levels in nearly all countries from which reports have been received. This increased production is being used in both increased domestic consumption and increased trade. The change in the utilization of milk going into trade reflects the trend of increased use of whole milk solids. The increased trade, largely in cheese, canned and dried milk, has come about through the establishment of new markets for these products. These new markets are the result of increased purchasing power of consumers and the wide-spread distribution of cheese, canned and dried milk which has been made possible by relatively long storage in life and consumer-size packages.--By L.M. Smith, based in part upon U.S. Foreign Service reports.

(See accompanying tables on following pages)

1/ A more extensive statement, will soon be available upon request, published by the Office of Foreign Agricultural Relations, U.S. Department of Agriculture, Washington 25, D. C.

BUTTER: International Trade, Average 1934-38, Annual 1949 and 1950, Preliminary

Country	Average 1934-38		1949		1950	
	Exports	Imports	Exports	Imports	Exports	Imports
	1,000 Lbs.	1,000 Lbs.	1,000 Lbs.	1,000 Lbs.	1,000 Lbs.	1,000 Lbs.
NORTH AMERICA						
Canada	1/ 5,640	1/ 110	1,069	1,123	1,629	6
Mexico	2/	1/ 181	--	3/	--	3/
United States	1,152	9,307	4,174	271	3,215	10
Cuba	4/ 610	4/ 23	--	667	--	1,658
SOUTH AMERICA						
Argentina	5/ 18,823	5/ 64	2/	--	20	--
Peru	2/	311	--	91	--	6/ 1,300
Venezuela	--	798	--	2,191		6/ 7,700
EUROPE						
Austria	5,980	73	2/	7	1	1,102
Belgium and Luxembourg	68	9,930	2,024	56,427	6/ 37	6/ 44,055
Czechoslovakia	754	1,918	7/	7/	7/	7/
Denmark	328,573	37	302,903	--	338,175	--
Estonia	26,378	--	8/	8/	8/	8/
Finland	9/ 24,467	9/ 13	23	3,060	3/	3/
France	8,932	3,640	6,989	57,816	3,907	41,396
Germany, Western	7/	7/	--	6,597	224	100,661
Greece	2/	860	--	324	--	57
Hungary	9,118	--	7/	7/	7/	7/
Ireland	51,843	448	1,412	--	6,901	--
Italy	1,067	2,152	117	12,452	198	9,295
Latvia	40,774	--	8/	8/	8/	8/
Lithuania	30,390	--	8/	8/	8/	8/
Netherlands	356	109,587	117,809	44	142,477	18
Norway	725	2	1,374	--	9,512	--
Poland and Danzig	18,664	2	7/	7/	7/	7/
Portugal	141	229	415	487	626	441
Sweden	50,547	353	3,567	9	31,678	--
Switzerland	7	2,033	55	24,083	4	20,708
United Kingdom	1,367	1,074,727	--	712,264	--	751,054
USSR (Eur. & Asia)	46,486	401	7/	7/	7/	7/
OCEANIA						
Australia	220,151	2	150,282	--	175,910	--
New Zealand	308,895	2	330,624	--	6/ 325,000	--
OTHERS						
British Malaya	10/ 571	10/ 4,078	--	6/ 2,200	--	--
India	10/ 4,142	10/ 6,175	7/ --	--	--	--
Indonesia	--	10/ 12,352	--	6/ 800	--	--
Palestine	--	4,826	--	--	--	--
Rep. of Philippine	--	1,566	--	1,256	--	--
Southern Rhodesia	11/ 253	11/ 563	63	1,368	--	--

See footnotes at end of last table

CHEESE: International Trade, Average 1934-38, Annual 1949 and 1950, Preliminary

Country	Average 1934-38		1949		1950	
	Exports	Imports	Exports	Imports	Exports	Imports
	1,000 lbs.	1,000 lbs.	1,000 lbs.	1,000 lbs.	1,000 lbs.	1,000 lbs.
NORTH AMERICA						
Canada	73,744	1,251	52,695	2,360	63,110	10,160
Mexico	15	895	3/ --	3/ --	3/ --	3/ --
United States	1,260	54,279	98,021	32,014	47,493	56,189
Cuba	13	428	9	719	--	1,647
SOUTH AMERICA						
Argentina	3,406	110	22,145	--	13,534	--
Peru	--	688	--	124	--	6/ 641
Venezuela	13	1,235	--	6,344	--	6/ 8,090
EUROPE						
Austria	6,720	1,818	2	3,027	1,552	1,596
Belgium and Luxembourg	344	50,563	2,097	63,510	6/ 359	6/ 65,779
Czechoslovakia	1,909	2,706	7/ --	7/ --	7/ --	7/ --
Denmark	18,067	33	66,772	28	87,000	67
Estonia	324	2	8/ --	8/ --	8/ --	8/ --
Finland	11,651	31	9,065	--	3/ --	3/ --
France	25,039	30,867	36,360	20,311	36,513	51,603
Germany (Western)	7/ --	7/ --	--	49,294	4,940	96,214
Greece	621	800	--	7,061	--	12,266
Hungary	862	15	7/ --	7/ --	7/	7/ --
Ireland	1,509	60	2,888	75	985	133
Italy	53,224	9,672	29,015	15,267	40,857	13,655
Latvia	132	--	8/ --	8/ --	8/ --	8/ --
Lithuania	1,318	2	8/ --	8/ --	8/	8/ --
Netherlands	132,358	934	136,729	520	154,027	534
Norway	4,111	338	1,125	655	1,859	208
Poland and Danzig	1,360	317	7/ --	7/ --	7/ --	7/ --
Portugal	143	386	553	1	722	13
Rumania	139	90	--	--	7/ --	--
Spain	12/ 117	12/ 2,502	7/ --	7/	7/ --	7/ --
Sweden	625	2,473	6,232	7,778	14,407	2,930
Switzerland	41,678	3,924	27,735	2,690	32,916	4,083
United Kingdom	2,987	319,028	--	477,054	--	344,993
USSR(Eur.& Asia)	84	816	7 --	7/ --	7/	7/ --
OCEANIA						
Australia	21,750	104	48,489	74	49,831	147
New Zealand	194,000	2	208,843	--	222,695	--
OTHERS						
Algeria	82	10,833	--	1/ 15,000	--	--
Egypt	13/5/ 82	13/5/7,273	--	6/ 4,700	--	--
India	4	1,204	7/ --	6/ 1,200	--	--
Syria & Lebanon	553	917	7/ --	7/ --	--	--

See footnotes at end of last table.

CANNED MILK: International Trade, Average 1934-38, Annual 1949 and 1950, Preliminary

Country	Average 1934-38		1949		1950	
	Exports	Imports	Exports	Imports	Exports	Imports
	1,000 Lbs.	1,000 Lbs.	1,000 Lbs.	1,000 Lbs.	1,000 Lbs.	1,000 Lbs.
NORTH AMERICA						
Canada	22,958	22	36,534	6	37,460	15
Guatemala	--	7/ --	--	410	--	7/ --
Mexico	--	14/ 614	--	6/ 4,000	--	--
Panama	--	4,327	--	--	--	--
Panama Canal Zone	--	2,543	--	--	--	-
United States	33,837	452	327,858	29	178,044	369
Cuba	--	4,691	--	32,912	--	30,918
Netherlands Antilles	--	3,059	--	5,000	--	--
SOUTH AMERICA						
Argentina	46	311	7/	7/	7/	7/
Peru	--	7,833	--	18,596	--	6/15,000
EUROPE						
Austria	7/ --	7/	8	396	2	1,220
Belgium	2,203	15/ 600	342	53,790	6/ 260	6/74,500
Czechoslovakia	--	15/ 307	--	7/	7/	7/
Denmark	40,439	--	85,814	--	86,825	--
Finland	7/	7/	16/ 289	16/ 724	7/	7/
France	16/11,277	2,955	24,048	10,983	26,400	4,043
Germany, Western	7/	7/	--	16/17/ 66,246	272	8,882
Greece	--	4,309	--	66,730	--	64,293
Ireland	5/ 12,936	5/ 60	27,305	--	18,589	--
Italy	3,301	344	2,302	32,906	56	24,568
Netherlands	356,087	77	255,077	161	336,750	148
Norway	4,666	67	131	--	108	10
Portugal	--	15/16/ 31	16	16/ 41	93	16/ 11
Spain	14/ 26	14/ 28	--	--	--	--
Sweden	15/ 115	15/ 18	4,270	2,663	--	2
Switzerland	12,986	9	7,629	193	4,696	1,403
United Kingdom	36,002	199,204	11,742	121,449	19,622	34,501
OCEANIA						
Australia	15,392	4	65,619	2	75,150	2/
New Zealand	6,156	--	24,101	--	24,284	--
OTHERS						
British Malaya	8,963	73,682	--	6/ 70,000	--	--
Hong Kong	7/	7/	--	21,265	--	--
India	--	18/ 8,620	--	8,545	--	--
Indonesia	--	32,390	--	55,830	--	--
Philippine Rep.	--	40,643	--	6/115,000	--	--

See footnotes at end of last table

DRIED MILK: 19/ International Trade, Average 1934-38, Annual 1949 and 1950, Preliminary

Country	Average 1934-38		1949		1950	
	Exports	Imports	Exports	Imports	Exports	Imports
	1,000 lbs.	1,000 lbs.	1,000 lbs.	1,000 lbs.	1,000 lbs.	1,000 lbs.
NORTH AMERICA						
Canada	4,865	418	35,435	1,055	18,305	850
Mexico	--	466	--	8,856	--	3/ --
United States	4,804	6,020	295,059	5,254	292,000	2,526
Cuba	7/ --	7/ --	--	2,280	--	3,120
SOUTH AMERICA						
Argentina	170	---	701	--	214	--
Peru	--	7/ --	--	1,547	--	1,460
Venezuela	7/ --	7/ --	7/ --	40,000	--	7/ --
EUROPE						
Austria	7/ --	7/ --	--	3,746	--	2,256
Belgium	--	5,669	1,510	10,661	--	13,779
Czechoslovakia	--	154	--	6/ 6,000	7/ --	7/ --
Denmark	594	--	16,933	--	19,679	--
France	--	2,168	1,991	25,115	1,962	9,273
Germany	7/ --	7/ --	--	7/ --	19,854	8,057
Greece	--	209	--	25,818	--	27,969
Ireland	626	213	3,234	382	5,853	1,007
Italy	25	2	--	23,201	7/ --	7/ --
Netherlands	37,151	122	55,860	860	37,280	6,885
Norway	10	90	38	56	25	20
Spain	14	374	7/ --	7/ --	7/ --	7/ --
Sweden	1,451	117	11,499	--	15,320	--
Switzerland	3,036	7	2,372	3,477	4,694	4,641
United Kingdom	--	30,879	--	99,057	--	84,890
OCEANIA						
Australia	3,324	239	36,910	123	6/ 37,289	7/ --
New Zealand	16,111	--	52,932	--	66,701	--
OTHERS						
India	--	1,525	--	11/ 11,808	--	11/ 19,179
Japan	613	700	--	51,879	--	48,369
Philippine Is.	--	735	--	2,074	--	5,888

1/ Average for years 1935-37. 2/ Less than 500 pounds. 3/ Incomplete. 4/ Average for years 1936-38. 5/ Average for years 1934-37. 6/ Unofficial estimate. 7/ Not available. 8/ Incorporated in U.S.S.R. on August 3, 1940. 9/ For the year 1934 only. 10/ Includes ghee. 11/ For fiscal year beginning April 1. 12/ Average for years 1934 and 1935. 13/ Including Trade with Anglo-Egyptian Sudan. 14/ For the year 1935 only. 15/ For the year 1938 only. 16/ Includes Dried Milk. 17/ Bi-zone only. 18 /Average for 1937-39. 19/ Includes dried skim milk.

DAIRY PRODUCTS: Exports of butter, cheese, canned and dried milk in product weight and whole milk equivalent from selected countries, average 1934-38 and annual 1949 and 1950, preliminary 1/

	Average 1934-38		1949		1950	
	Product Weight	Whole Milk Equivalent	Product Weight	Whole Milk Equivalent	Product Weight	Whole Milk Equivalent
	Million pounds					
Butter	1,133	24,813	920	20,148	1,039	22,754
Cheese	592	5,400	748	6,807	767	6,980
Canned Milk	540	1,188	869	1,912	808	1,778
Dried whole milk ...	50	426	166	1,411	157	1,335
Nonfat dry milk	21	-	341	-	332	-
Aggregate weights ..	2,336	31,827	3,044	30,278	3,103	32,847

1/ Countries are Canada, United States, Argentina, Austria, Belgium, Denmark, Finland, France, Ireland, Italy; Netherlands, Norway, Sweden, Switzerland, United Kingdom, Australia, and New Zealand.

WORLD'S 1950 HOPS CROP REVISED TO 144,000,000 (POUNDS)

Revised estimates now indicate that the world's 1950 hops crop amounted to at least 144,000,000 pounds compared with 113,000,000 pounds in 1949, according to the United States Department of Agriculture's Office of Foreign Agricultural Relations. This estimate, which is between 1 and 2 percent higher than the crop indicated last December represents the combined harvests in the 12 reporting countries that normally (1934-38) accounted for 95 percent of the world's average production. The only important producing countries for which 1949 and 1950 production estimates are not available are Poland and the Soviet Union.

Outstanding in the production picture for 1950 were the large increases in the United Kingdom, German, and United States crops. In the aggregate, these three countries accounted for more than 83 percent of the estimated world's total for the year. While still too early to venture an estimate of 1951 crops in foreign countries, such information as was available on growing conditions up to the end of June gave no indication of any reduction from the 1950 level. The 1951 United States crop is currently estimated at 59,925,000 pounds, or about 3 percent more than last year.

World Production of Hops, Average 1934-38 and Annual 1945-1950 1/

Country	Average 1934-38 2/	1947	1948	1949	1950
	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds
Northern Hemisphere					
United Kingdom	28,023	32,444	30,614	28,023	41,251
Czechoslovakia	3/ 21,462	10,320	10,677	9,763	4/9,921
Germany 5/	20,033	8,951	10,814	12,510	4/20,723
France	4,936	2,072	3,108	2,827	3,968
Belgium	2,659	1,900	1,438	1,429	1,953
Poland	3,907	6/	6/	6/	6/
Yugoslavia	3,977	6/	6/	2,205	7/1,543
Other Europe 8/	296	6/	6/	6/	6/
U.S.S.R	2,205	6/	6/	6/	6/
United States	38,977	50,098	49,819	50,796	58,336
Canada	1,612	2,491	2,130	1,886	2,031
Total, areas reporting	128,087	108,276	108,600	109,439	139,726
Southern Hemisphere					
Australia	2,304	2,752	9/1,912	9/2,575	9/2,792
New Zealand	875	987	767	967	1,288
Union of South Africa	6/	292	252	176	238
Argentina	6/	220	99	110	132
Total, areas reporting	3,179	4,251	3,030	3,828	4,450
World Total	131,266	112,527	111,630	113,267	144,176

1/ Northern Hemisphere crops harvested in the fall of the years indicated are combined with Southern Hemisphere crops harvested in the early months of the following year. 2/ International Yearbook of Agricultural Statistics, Volume I, Agricultural Production and Livestock Numbers, Food and Agriculture Organization, Rome, 1947. Prewar totals calculated for territories included in 1937 boundaries. 3/ Average for 4 years. 4/ Unofficial estimate. 5/ Since 1946, the figures apply only to West Germany, which accounts for virtually all of the crop. 6/ Not available. 7/ Estimate for Slovenia (Savinia Valley) only 8/ Includes Austria, Hungary and Rumania. 9/ Exclusive of Western Australia.

Despite the much larger world crop in 1950, United States exports of hops during the first nine months (September-May) of the 1950-51 marketing season amounted to 13,472,000 pounds compared with 12,117,000 pounds during the corresponding period in 1949-50. The principal buyers in the Western Hemisphere, which area accounted for 65.7 percent of the total, were Mexico, Canada and Brazil. In Europe, which took 18.9 percent of the total, Belgium, Czechoslovakia, Switzerland and Yugoslavia were the leading buyers. Asiatic countries took 8.0 percent of the total, with Japan the main purchaser. Virtually all of the exports to countries in Africa and Oceania went to the Union of South Africa and Australia.

United States imports of hops during the same 9-months period amounted to only 3,048,000 pounds compared with 5,682,000 pounds during the corresponding period of 1949-50. As usual, the bulk of the imports came from Czechoslovakia, Germany, and Yugoslavia.

United States Exports of Hops by Destinations during Inducated Periods
(Years beginning September 1 and ending August 31)

Destination	Average 1940-41 to 1944-45	1949-50	Nine months September-May	
			1949-50	1950-51
	Pounds	Pounds	Pounds	Pounds
North America	3,400,310	4,112,595	4,005,178	4,882,027
Central America	150,355	138,001	120,998	271,398
Caribbean	240,494	301,393	301,393	339,271
South America	2,651,678	3,297,891	3,220,121	3,355,266
Europe	631,752	4,328,602	3,301,586	2,545,167
Africa	902,429	150,234	91,434	303,868
Asia	511,192	762,055	429,539	1,077,066
Oceania	143,615	647,124	647,124	698,077
Total	8,631,825	13,737,895	12,117,373	13,472,140

Bureau of Census, United States Department of Commerce.

United States Imports of Hops by Countries of Origin during Indicated Periods
(Years beginning September 1 and ending August 31)

Origin	Average 1934-35 to 1938-39	1949-50	Nine months, September-May	
			1949-50	1950-51
	Pounds	Pounds	Pounds	Pounds
Czechoslovakia	3,813,000	2,641,577	2,641,247	1,283,794
Yugoslavia	1,972,000	1,083,971	1,083,971	603,468
Germany	1,538,000	1,879,173	1,878,203	976,180
All others	689,000	78,307	78,307	184,778
Total	8,012,000	5,683,028	5,681,728	3,048,220

Bureau of Census, United States Department of Commerce.

COMMODITY DEVELOPMENTS

FRUITS, VEGETABLES AND NUTS

AUSTRALIA'S 1951-52 CITRUS CROP SMALLER THAN PREVIOUS SEASON [1]

The 1951-52 citrus crop in Australia will probably be smaller than the estimated 3.5 million boxes of oranges and 522,000 boxes of lemons produced in the 1950-51 season. Smaller crops in Victoria, South Australia and New South Wales are forecast. In South Australia and New South Wales the crop will probably be only 75 percent of the previous year's crop, chiefly because of the heavy drop of immature fruit in the early summer period which was hot and dry.

The crop also is expected to be slightly below average in Western Australia and Queensland. Orange production in 1950-51, estimated at 3.5 million boxes, is 7 percent higher than the 3.3 million produced during the previous season and 27 percent above the prewar average of 2.7 million boxes. Production in 1950-51 was greater than in 1949-50 in all States except Western Australia. Lemon production in 1950-51 was 31 percent higher than the 399,000 boxes produced in 1949-50 and 73 percent above the prewar average of 302,000 boxes. Exports of oranges for the year ended June 30, 1950 amounted to 366,000 boxes, 10 percent less than the 408,000 boxes exported during the previous season when a record crop was produced. Of the total exports in the 1949-50 season, 269,000 boxes (74 percent) went to New Zealand, 74,000 (20 percent) to Singapore as compared with 255,000 (62 percent) and 108,000 (26 percent) respectively to these destinations in the previous year.

Lemon exports of 10,000 boxes in the 1949-50 season went chiefly to Singapore and New Zealand while in the previous season 58 percent of the total of 3,664 boxes went to Singapore.--By Ruth G. Tucker, based in part upon U.S. Foreign Service reports.

SEED

AUSTRALIAN SEED CROPS

The Australian 1950-51 production of legume seeds was about one-fifth smaller than in the previous season but the total output of grass seeds was about the same. Production of subterranean clover seed, the most important legume, was down 14 percent from the 1949-50 crop, and alfalfa 30 percent but there were some increases in the minor legumes. The production of Wimmera ryegrass was up in 1950-51 by 75 percent, and

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[1] A more extensive statement will soon be published as a Foreign Agriculture Circular available upon request from the Office of Foreign Agricultural Relations, U.S. Department of Agriculture, Washington 25, D.C.

Dallis grass 355 percent but these were offset by decreases in perennial ryegrass of 43 percent; Sudan grass, 54 percent; Rhodes grass, 27 percent and canary grass 35 percent.

AUSTRALIA: Production of legume, grass, and forage herb seeds

Type of seed	1949-50	1950-51 (Preliminary)
	Long tons	Long tons
Legumes:		
Subterranean clover	2,929	2,528
Alfalfa	607	185
Barrel medic	5	20
Strawberry clover	16	16
White clover	1	6
Ball clover	n.a.	2
Red clover	n.a.	2
Berseam	n.a.	1
Total legumes	3,558	2,760
Grasses:		
Wimmera ryegrass	413	721
Perennial ryegrass	582	332
Sudan grass	228	105
Paspalum (Dallis grass)	22	100
Phalaris (Canary grass)	82	53
Rhodes grass 1/	41	30
Perennial veldt grass	2	8
Bermuda grass	1	3
Orchard grass	3	3
Total grasses	1,374	1,355
Forage herbs:		
Evening primrose	8	4
Sheep's Burnet	1	1
Total forage herbs	9	5

1/ Includes small quantities of other introduced grasses grown in Queensland, such as paspalum, Kikuyu, Para grass, molasses grass and Guinea grass.

SUGAR

THE FRENCH SUGAR BEET SITUATION

A recent unofficial but rather extensive survey of the sugar beet situation in Metropolitan France indicates an acreage of 1,025,000 acres seeded to sugar beets in 1951 as compared with 1,006,000 acres in 1950 and 1,020,000 in 1949. Previous estimates had indicated a much greater increase of acreage because of the improved demand for sugar and by-products over that of a year ago, coupled with the inability of farmers to seed as large an area as planned to winter and spring grain.

The survey further indicates that the total production of sugar beets probably will not exceed the record quantity produced in 1950. Weather conditions during the winter and continued cold weather in May not only delayed seeding but have retarded sprouting and growth. At present, the crop is considered to be at least 3 weeks later than last year. However, some officials believe that favorable weather from now on could be conducive to extremely good yields. In any case, if the 1951 sugar beet crop is anywhere near the normal average for yields, France again will have a large exportable surplus of not only sugar but also of alcohol and molasses. There is some concern in industry over the possibility that an improved international situation may again create surplus disposal problems for French sugar and alcohol.

DOMINICAN SUGAR SITUATION

The 1951-52 sugar production of the Dominican Republic is now expected to exceed the 1950-51 production by about 50,000 tons. Heavy rainfall in recent weeks has aided the new cane crop considerably. The current grind totaled 565,000 short tons on July 2 and is already higher than the previous record output of 561,000 short tons during the 1943-44 crop year. Six of the country's 16 centrals are still in operation.

LIVESTOCK AND ANIMAL PRODUCTS

BRITISH GOVERNMENT ANNOUNCES INCREASE IN MEAT RATION

In a Commons debate on July 5, 1951, concerning the recent Anglo-Argentine Meat Agreement, the Minister of Food announced that by the end of August the meat ration will be about double its present size of 10d-(11.7 U.S. cents) weekly or will amount to about 1s/8d-(23.3 U.S. cents), a slight increase over the level of mid-September 1950. The increase will take place gradually. It will be made possible by resumed shipments of Argentine meat and the seasonal increase of home slaughter.

The higher ration will improve the British diet considerably and the level of 1s/8d will almost meet the demand of many low-income families. With a better supply of meat it is expected that there will be much less dissatisfaction with the diet which has improved considerably in the last 2 years, many items having been derationed and rations of others having been increased. The likelihood of higher prices, however, especially for chilled beef, will increase problems associated with rising living costs.

ARGENTINA RESTRICTS CATTLE SLAUGHTER FOR EXPORT

The Argentine Livestock Institute released a resolution dated July 6, 1951, limiting from July through October the production of beef for export. Reasons given for the restriction were the extended drought of 1950, the current seasonal decline in marketing of finished animals, the exceptional domestic and foreign demand, and the desire to avoid an unreasonable rise in cattle prices.

Production of canned or cured beef is limited from July through October 1951 to 30 percent of the monthly average registered from January through May 1951. The only cattle to be used for these purposes are bulls, stags, and canner grade cows. For refrigerated beef, the monthly slaughter volume is limited to 10,500 metric tons (23 million pounds).
Quotas for each export plant are to be established by the Institute.

The resolution prohibits also the installation anywhere in Argentina of the new plants for cattle slaughter. No limitation is placed otherwise on domestic slaughter; action is being considered to reduce operations at the government-owned municipal plant in Buenos Aires, by far the largest single operator in the country.

For domestic consumption, a new series of wholesale and retail ceiling beef prices was announced on July 10, representing increases to consumers of an average of 34 percent, per cut of beef, above previous official ceilings. The new prices were established in an attempt to curtail black market operations and reduce domestic consumption.

PARTIAL CANCELLATION OF MEXICAN MEAT EXPORTS

According to reports from the Department of Foreign Commerce in the Mexican Ministry of National Economy, instructions have been issued for the cancellation of meat export permits of 4 large meat packing plants at Tampico, Tamaulipas; Gomez Palacio, Durango; Terreon, Coahuila; and Monterrey, Nuevo Leon.

This action has been taken as a temporary emergency measure because of the acute shortage of meat in Mexico City and other population centers in central Mexico and it is expected that exports from these plants will again be permitted when the local demand is satisfactorily supplied. The cancellation of permits will not affect the important packing plants in northern Mexico such as those located at Ciudad Juarez, Hermosillo, Magdalena, Chihuahua and others.

Within the last month, an estimated 50 percent of the butcher shops in Mexico City have been forced to close because of the shortage of meat. The Government hopes that with shipments of frozen and canned meat from the 4 plants mentioned, the deficiency will be alleviated. The severe and persistent drought in northern Mexico in recent years, particularly in the cattle areas which ordinarily supply the demand from the Federal District, is one of the major causes of the serious shortage.

TOBACCO

PHILIPPINE TOBACCO PRODUCTION AND EXPORTS INCREASED: IMPORTS DECREASED

The Philippine 1950-51 tobacco production is unofficially estimated at about 14 percent above the 1949-50 leaf harvest, according to Merrill W. Abbey, Agricultural Attache, American Embassy, Manila. Leaf imports during January-March 1951 were 51 percent below the corresponding 1950 period. Exports of leaf during the first 4 months (January-April) 1951 were 45 percent above the same period in 1950.

The country's 1950-51 leaf harvest is tentatively estimated at about 66 million pounds from 118,500 acres compared with 58.2 million pounds from 135,900 acres in 1949-50. The 1950-51 crop will be the largest harvested during the postwar years but still below the prewar average (1935-39) of 74.8 million pounds. The 2 significant reasons for this increased outturn are the generally favorable growing conditions which prevailed in the tobacco regions throughout the growing and harvesting season and the lucrative prices offered for domestic leaf as a result of reduced supplies of imported tobacco products.

Leaf imports during the January-March 1951 period totaled 1.7 million pounds compared with 3.4 million pounds in the corresponding 1950 period. The Philippine Republic also imported 247 million cigarettes, 202,157 pounds of chewing tobacco, 291 pounds of smoking tobacco, and 234,724 pounds of stems and scrap during the first 3 months of 1951. The United States and Territories supplied all the unmanufactured tobacco and all manufactured tobacco products except 400,000 cigarettes which came from Hong Kong.

Exports of leaf tobacco during the first 4 months (January-April) 1951 totaled nearly 4.0 million pounds compared with 2.7 million pounds in the same 1950 period. Spain, the most important leaf export outlet took 2.9 million pounds. French Africa, the second most important outlet, took 528,994 pounds, the French East Indies ranked third, taking 264,607 pounds. Other countries taking leaf during the first 4 months of 1951 included the United States and Territories, Belgium, the Netherlands, and others. The Philippine Republic also exported 846,000 cigars, of which 415,000 went to Hong Kong, 359,000 to the United States and Territories, 10,000 to Switzerland, and 62,000 to other countries.

CANADA'S TOBACCO PRODUCTION AT RECORD LEVEL; EXPORTS INCREASED; IMPORTS DECREASED

Canada's 1951 tobacco production is unofficially estimated at about 22 percent above 1950, according to Francis A. Flood, Agricultural Attache, American Embassy, Ottawa. Exports of leaf tobacco during the first 4 months (January-April) 1951 were 42 percent above the comparable 1950 period. Imports of leaf during the first 4 months of 1951 continue to decline when compared with the same period in 1950.

Canada's 1951 tobacco crop is unofficially estimated at an all-time high of 146.8 million pounds from 119,500 acres. This record outturn is primarily attributable to the removal of tobacco acreage control by the Ontario Flue-Cured Marketing Association and to very favorable growing conditions so far this season. The 1950 leaf production is officially estimated at 120.3 million pounds from 101,800 acres compared with the previous record year of 1949 which produced 139.8 million pounds from 109,000 acres. The 1951 flue-cured production, which will account for about 93 percent of the 1951 Canadian-grown tobacco, is placed at 135.9 million pounds, an all-time record, compared with 108.2 million pounds in 1950 and 116.7 million pounds in 1949.

Exports of leaf tobacco during the first 4 months of 1951 (January-April) totaled 18.7 million pounds compared with 13.2 million during the same period in 1950 and 10.5 million during the corresponding period of 1949. The United Kingdom, the largest leaf export outlet, totales 15.5 million pounds, or 83 percent of all Canada's leaf exports. The British West Indies, the second largest outlet, took 944,000 pounds; and Belgium ranked third with 161,000 pounds.

Imports of leaf during the first 4 months of 1951 totaled only 435,770 pounds compared with 462,489 pounds and 519,617 pounds during the first 4 months of 1950 and 1949, respectively. The United States, the most important source of leaf, during the first 4 months of 1951 supplied 166,583 pounds; Cuba, the second most important, supplied 161,817 pounds; Turkey ranked third, with 28,342; and Southern Rhodesia, fourth, with 24,933 pounds.

TROPICAL PRODUCTS

WORLD 1950 TEA EXPORTS DOWN

World tea exports in 1950 declined about 9 percent below 1949 shipments to approximately the prewar level. Tea exports amounted to 870 million pounds in 1950, compared with 959 million in 1949, 785 million in 1948, and an annual prewar (1935-39) average of 876 million pounds.

The decline in 1950 exports resulted from a drop of almost 100 million pounds in shipments from India. India normally furnishes about a half of the world's tea exports. In 1949, India exported a record total of 490 million pounds of tea, but shipments fell off to 391 million pounds in 1950. In prewar years, India and Pakistan combined exported only 333 million pounds annually. Pakistan's tea shipments dropped from 27 million pounds in 1949 to 16 million in 1950, but production in Pakistan is increasing. India produced about 605 million pounds of tea in 1950 and consumed roughly 150 million pounds.

TEA: Exports from principal producing countries, averages 1935-39 and 1940-44, annual 1948-50

Continent and Country	Average		1948	1949 1/	1950 1/
	1935-39	1940-44			
	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds
ASIA					
Ceylon	221,568	257,936	296,000	297,573	298,099
China	79,483	20,680	21,200	2/ 20,000	2/ 25,000
French Indochina	3,913	1,968	628	1,499	2,048
India	3/ 332,735	3/ 382,804	358,624	490,000	391,000
Indonesia	153,175	70,000	18,578	52,743	69,873
Japan	43,280	21,574	8,884	16,049	15,944
Malaya	606	263	642	1,733	1,528
Pakistan	4/	4/	32,639	27,265	15,935
Taiwan	22,779	16,304	19,800	24,000	15,116
Total	857,539	771,529	756,995	930,862	834,543
AFRICA					
Kenya	8,218	10,094	5,023	5,915	9,238
Mozambique	807	1,691	3,419	5,205	6,745
Nyasaland	8,834	12,183	15,071	12,770	15,157
Tanganyika	216	882	1,031	957	1,086
Uganda	135	1,072	2,314	2,297	2,119
Total	18,210	25,922	26,858	27,144	34,345
SOUTH AMERICA					
Brazil	36	361	1,175	568	2/ 1,200
Grand Total	875,785	797,812	785,028	958,574	870,088

1/ Preliminary. 2/ Approximated from unofficial information. 3/ Includes Pakistan. 4/ Included in India.

Office of Foreign Agricultural Relations. Official publications of foreign governments, International Tea Committee, and U. S. Foreign Service reports.

Asia accounted for 96 percent of world tea exports in 1950 and Africa supplied practically all the remainder. India, Ceylon, and Indonesia together furnished about 87 percent of world tea exports in 1950. Ceylon is the second most important source of tea. Exports from Ceylon in 1950 amounted to 298 million pounds, about the same as in 1949, but substantially above the prewar average of 222 million pounds. Indonesia's tea industry suffered tremendous damage during the war, but it is recovering fairly rapidly now. In prewar years, Indonesia exported an annual average of 153 million pounds of tea. Exports amounted to only 9 million pounds in 1947 but increased to 19 million in 1948, 53 million in 1949, and 70 million in 1950.

China is one of the largest tea-producing countries in the world, but it consumes most of its total output. Very little information about Chinese tea exports in 1949 and 1950 is available, but it is believed that these shipments totaled from 20 to 25 million pounds. Taiwan's tea exports dropped off from 24 million pounds in 1949 to 15 million in 1950, but considerable effort is being devoted by officials in Taiwan to expanding tea production and exports. Japan's tea exports in 1950 amounted to 16 million pounds, approximately equal to 1949 shipments, but considerably less than the prewar annual average of 43 million pounds. However, Japan's tea production is increasing, and, since it is now the leading source of green tea, exports are expected to increase materially in the future. Green (unfermented) tea is chiefly popular in Africa and certain Asiatic countries, although small quantities are consumed in the United States and elsewhere. Most of the world's tea exports are of black (fully fermented) tea.

Africa's tea exports have nearly doubled since prewar years. In 1950, tea exports from Africa totaled 34 million pounds, compared with 27 million in 1949 and a prewar annual average of 18 million pounds. Nyasaland, Kenya, Mozambique, Uganda, and Tanganyika account for practically all of Africa's tea shipments.--By Thomas D. Spivey, based in part upon U.S. Foreign Service reports.

NICARAGUA'S 1951-52 COFFEE CROP EXPECTED TO BE LARGER

Nicaragua's 1951-52 exportable coffee production has been tentatively forecast by some coffee planters at about 300,000 bags, according to J.P. Rourk, American Embassy, Managua. This compares with a revised estimate of 270,000 bags for export from the 1950-51 harvest, 346,000 bags from the bumper crop in 1949-50, and 110,000 bags from the extremely small harvest in 1948-49.

Flowering of Nicaragua's 1951-52 coffee crop took place in June. Consequently, the coffee cherries are still so small that it is difficult to estimate the percentage which will reach maturity, and experienced coffee planters are hesitant about expressing an opinion as to the size of the 1951-52 crop. Weather conditions have been nearly ideal in most districts. The trees on most coffee plantations are in good foliage and appear vigorous.

The estimate of Nicaragua's 1950-51 exportable coffee output has been revised upward to 270,000 bags from an earlier estimate of 210,000 bags. The most reasonable explanation for this substantial revision is that the crop from the more remote areas of the northern departments of

Jinotega, Nueva Segovia, and Madriz far surpassed expectations. These areas are isolated, can be reached only over very poor mule or ox-cart trails and, for the most part, contain numerous small coffee fincas whose owners come into the larger town infrequently. It is thus difficult to estimate the crops in these areas with any degree of accuracy. In addition, these areas contains the largest number of young, expanding plantations, and production from year to year has been increasing.

FATS AND OILS

PHILIPPINE COPRA SITUATION JUNE 1951 [1]

Philippine production of coconut products--copra, coconut oil, and desiccated coconut--during the first quarter of 1951 totaled 235,500 long tons in terms of copra, according to Merrill W. Abbey, Agricultural Attache, Manila. This is an increase of 40 percent from the 168,300-ton output of the corresponding period last year. The estimate of total 1950 production has been revised downward to 991,500 tons--necessitated by the disclosure that domestic coconut oil consumption in 1950 was much less than what had been reported earlier.

The appreciable increase in coconut production over last year's level may be attributed to generally excellent weather and the very profitable prices offered for Philippine copra. In addition, however, the improvement in the law-and-order situation in Southern Luzon undoubtedly helped to boost copra output.

A greater percentage of the coconut production this year is being shipped abroad. From January through March 1951, approximately 88 percent of the total output went into exports and only 12 percent into domestic consumption. For the same period last year, 84 percent of the outturn was exported and 16 percent utilized locally.

Copra and coconut oil exports during the first quarter of 1951, 169,827 and 17,422 tons, respectively, totaled 197,481 tons copra equivalent or 56 percent more than shipments during the corresponding period of 1950. The unusually strong foreign demand for copra is reflected in the sharply increased importation by all major consuming countries, particularly in Europe.

Compared with the same period last year, January-March 1951 shipments to the United States were more by 22 percent while those to Europe were over 3 times as great. Despite the greatly increased volume of Philippine copra and coconut oil shipped during the initial 3 months of 1951, only 60 percent went to the United States, whereas in the first quarter of 1950 the proportion was 76 percent. Conversely, exports to Europe increased from only 16 percent of the 1950 total to 27 percent in the first quarter of this year.

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[1] A more extensive statement will soon be published as a Foreign Agriculture Circular, available from the Office of Foreign Agricultural Relations, U.S. Department of Agriculture, Washington 25, D.C.

Shipments of desiccated coconut during January-March 1951 totaled 8,478 tons, 33 percent less than during the same period last year. The decline was caused primarily by the rise of raw nut prices to levels under which desiccated coconut manufacturers found their profit margin greatly reduced because of the imposition of price ceilings on desiccated coconut in the United States.

Domestic consumption of coconut oil in 1950 is estimated by the trade at 65,900 tons compared with 62,100 in 1949 and 40,800 in 1948. It seems probable, however, that total consumption may have exceeded this considering the attainment of national self-sufficiency in fats and oils products last year and the heavier utilization of local products as a result of import controls. Consumption during 1951 is forecast at around 70,000 tons.

Stocks of copra were believed to be somewhat above normal levels as of mid-May.

Prices on the Manila market during the first quarter reached a high of 53.50 pesos per 100 kilograms ($272 per long ton) against only 39.50 ($201) in 1950 and a low of 38.00 ($193) against 33.50 ($170) in 1950. The rise of prices until the middle of March is attributable to: (1) continued heavy foreign demand; (2) the reduced cottonseed oil supply in the United States; (3) the seasonal decline in coconut output; and (4) the exemption of copra and coconut oil from price ceilings in the United States.

Copra production during the second quarter was not expected to vary materially from that of the first 3 months as the seasonally reduced output extends until the advent of the rainy season in June. Over-all production prospects for 1951 were still considered good as of mid-May, although the destructive typhoon during the first week of May somewhat dimmed an otherwise optimistic outlook. Nonetheless, barring any unusually serious developments in weather and market conditions, 1951 copra output may be expected to equal and probably exceed last year's 991,500 tons, copra equivalent.

MANCHURIAN SOYBEAN SHIPMENTS TO WESTERN EUROPE INCREASE

Northbound movement of Manchurian soybeans through the Suez Canal during the first 4 months of 1951 totaled 174,327 metric tons (6,405,355 bushels) or somewhat more than the 170,240 tons (6,255,185) recorded in the preceding 4-month period (September-December 1950), according to information from the American Consulate, Port Said, Egypt. In addition a Russian vessel with a cargo of 6,836 tons of soybean oil (about 1,675,000 bushels, soybean equivalent) passed through the Canal on February 3, 1951, enroute from Dalny to Odessa. Although there were no other reported movements of soybeans or oil to Europe via the Canal during January-April 1951, there may have been some quantities included on general cargo vessels.

SUEZ CANAL: NORTHBOUND MOVEMENT OF MANCHURIAN SOYBEANS, JANUARY - APRIL 1951

Nationality of vessel	Date of arrival	Tons 1/	From	To
British	Jan. 2	8,770	Dairen	United Kingdom f.o. 2/
Greek	Jan. 6	9,097	Dairen	United Kingdom f.o. 2/
Morocco	Jan. 10	6,500	Dairen	Copenhagen
Greek	Jan. 12	10,200	Dairen	Copenhagen
Greek	Jan. 16	9,370	Dairen	Hamburg
Canada	Jan. 21	9,650	Dairen	Antwerp
U.S.S.R.	Jan. 22	7,000	Vladivostock	Gdynia
Greek	Jan. 29	10,000	Dairen	Hamburg
British	Feb. 4	10,000	Dairen	Aarhus
British	Feb. 6	9,496	Dairen	Rotterdam
U.S.S.R.	Feb. 7	4,800	Vladivostock	Antwerp
U.S.S.R.	Feb. 26	6,008	Dairen	Antwerp
Panama	March 17	6,600	Dairen	Stettin
Greek	March 26	9,900	Dairen	Antwerp
Liberia	April 10	10,450	Dairen	Rotterdam
British	April 11	7,735	Chefoo	Hamburg
Panama	April 11	10,485	Dairen	Antwerp
Liberia	April 20	10,350	Dairen	Rotterdam
British	April 21	9,216	Dairen	Gdynia
Panama	April 28	8,700	Dairen	Hamburg
Total		174,327		

1/ Presumed to be metric tons.
2/ f.o. - for order
American Consulate, Port Said, Egypt.

Total delivery of Manchuria's 1950 crop of soybeans to Western Europe has been estimated at about 200,000 tons (7.35 million bushels) by a reliable European source. According to the recorded shipment of Manchurian beans as shown in the preceding table, this estimate appears reasonable, if not conservative (see Foreign Agriculture Circular FFO 9-51, May 3, 1951, pages 9 and 10). Competent observers believe that at least 490,000 tons (18.0 million bushels) of Manchurian soybeans from the 1951 crop will reach Western Europe if the international situation does not change for the worse. If the situation improves, trade conceivably could approach the prewar rate within a few years of some 2.3 million tons of beans (85 million bushels), including the bean equivalent of soybean oil (see Foreign Agriculture Circular FFO 14-51, May 31, 1951, page 3).

ARGENTINA'S FLAXSEED, LINSEED OIL EXPORTS INCREASE

Flaxseed shipments from Argentina during the first half of 1951 totaled 5,714,800 bushels, compared with 4,199,500 bushels in the preceding 6-month period of 1950, according to Silvia Baxter, American Embassy, Buenos Aires.

Total flaxseed exports in 1950 amounted to 5,160,000 bushels. With the relaxation in 1950 of the ban on flaxseed exports from Argentina, April-June 1950 shipments amounted to 960,600 bushels. The ban on flaxseed exports first was instituted by Argentina in 1945 to compel the processing of all flaxseed in domestic plants.

Principal purchasing countries of the January-June 1951 exports were France-2,215,740 bushels; the Netherlands-984,830; Belgium-625,950; and the United Kingdom-590,240.

Exports of linseed oil during January-June 18, 1951, amounted to 181,230 short tons, against 88,180 tons in the first half of 1950. Total linseed oil shipments from Argentina in 1950 were 226,665 tons. As in the preceding year, principal destinations for 1951 linseed oil exports were the United Kingdom, Western Germany, and the Netherlands.

COTTON AND OTHER FIBER

COTTON CONSUMPTION IN JAPAN CONTINUES UPWARD

Consumption of cotton by the Japanese textile industry during the first 5 months of 1951 continued the sharp upward trend begun in mid-1950. During this period of 1951, mill consumption averaged 131,000 bales (500 pounds gross weight) a month compared with an average of 100,000 bales monthly during 1950. The industry has set a consumption goal of 1,690,000 bales for 1951, or a 140,000-bale monthly average. Consumption in April and May 1951 was reported at 139,000 and 135,000 bales, respectively. Consumption during the 10 months, August-May 1950-51, amounted to 1,258,000 bales compared with 820,000 during a similar period a year ago.

The goal of 4.8 million spindles installed by the end of 1951 established by the Government has been surpassed. Spindles in place in May 1951 totaled 4.9 million, or 26 percent above the same month of 1950 when 3.9 million were in place. About 94 percent, or 4.6 million, of these installed spindles were in operation in May 1951. About 79 percent, or 211,000 of the total looms installed, were in operation in May 1951, as compared with only 65 percent, or 146,000 of the total looms installed, operating in the same month of 1950. Thus there was about a 45-percent increase in the number of looms in operation from May 1950 to May 1951.

Production of cotton yarn increased about 26 percent from a monthly average of 43 million pounds during 1950 to a 54-million-pound average in the first 5 months of 1951. The output of cotton cloth has risen even more, from 128 million square yards during each month of 1950 to almost 166 million square yards during January-May 1951, or an increase of 30 percent.

Even with the increased activity of the textile mills, stocks of raw cotton in Japan have steadily increased, reaching almost 940,000 running bales at the end of April 1951. However, the composition of these stocks has changed a great deal. Relatively low-priced United States cotton, which formed about three-fourths of the total stocks in the fall of 1950, presently constitutes only about a third of the supply. The world cotton shortage during the past season caused Japan to purchase cotton in larger quantities from such normal suppliers as Mexico, Pakistan, Brazil, Iraq, and Burma. In addition, sizeable quantities were imported from new sources, including Turkey, the Belgian Congo, Paraguay, Syria, and Iran. All of these growths, however, have been purchased at prices considerably above the United States price level.

The textile industry has been experiencing difficulty in recent months in selling the yarn and cloth produced. This slackening of the demand for textiles is a result of the higher level of Japanese prices above those prevailing for foreign products. The advent of a larger world raw cotton supply in 1951-52 may result in even lower world textile prices. Japan finds it difficult to lower textile prices with a majority of the current stocks of raw cotton consisting of high-priced growths. An additional obstacle to lower textile prices is the recent increase in wages granted to employees in the cotton textile industry. This increase, the seventh since the end of World War II, was arrived at through collective bargaining and approved by the bargaining associations on June 11, 1951. Other factors, including high interest rates on bank loans which form the backbone for much of the industry's operations, and high taxes, act as further deterrents to lower prices.

A measure leading to the improvement in the marketing of cotton textiles was the reopening of the Sampin Exchange in Osaka on June 11. This exchange had been closed since October 1941 due to domestic controls. At present, only cotton yarn and cloth are traded on spot and futures transactions, no raw cotton being handled. Although trading was dull during the first week of operation due to the generally weak world market at that time, the existence of this exchange, particularly its provisions for hedging contracts, is welcomed by the Trade.--By John E. Manger, based in part on a report by John L. Stegmaier, Vice Consul, USPOLAD, Kobe.

COTTON-PRICE QUOTATIONS ON WORLD MARKETS

The following table shows certain cotton-price quotations on world markets converted at current rates of exchange.

COTTON: Spot prices in certain foreign markets, U.S. gulf-port average, and taxes incident to exports

Market location, kind, and quality	Date 1951	Unit of weight	Unit of currency	Price in foreign currency	Equivalent U.S. cents per pound	
					Spot quotation	Export and intermediate taxes
Alexandria		Kantar				
Ashmouni, Good	7-26	99.05 lbs.	Tallari	124.00	71.86	2.96
Ashmouni, FGF	"	"	"	92.00	53.32	2.96
Karnak, Good	"	"	"	174.65	101.22	2.96
Karnak, FGF	"	"	"	139.65	80.93	2.96
Bombay		Candy				
Jarila, Fine	"	784 lbs.	Rupee	1/ 770.00	20.50	21.30
Broach Vijay, Fine	"	"	"	1/ 840.00	22.36	21.30
Karachi		Maund				
4F Punjab, SG, Fine	7-25	82.28 lbs.	"	98.00	35.93	23.09
289F Sind, SG, Fine	"	"	"	106.00	38.86	23.09
289F Punjab, SG, Fine	"	"	"	108.50	39.78	23.09
Buenos Aires		Metric ton				
Type B	7-26	2204.6 lbs.	Peso	2/ 8000.00	72.58	6.77
Lima		Sp. quintal				
Tanguis, Type 2-1/2	7-24	101.4 lbs.	Sol	495.00	32.65	9.90
Tanguis, Type 5	"	"	"	470.00	31.00	8.22
Pima, Type 1	"	"	"	696.00	45.91	22.09
Recife		Arroba				
Mata, Type 4	7-26	33.07 lbs.	Cruzeiro	320.00	52.65	2.4% ad
Sertao, Type 5	"	"	"	(not quoted)		valorem
Sertao, Type 4	"	"	"	340.00	55.94	" "
Sao Paulo						
Sao Paulo, Type 5	"	"	"	254.00	41.79	3.0% ad
Torreon		Sp. quintal				valorem
Middling, 15/16"	"	101.4 lbs.	Peso	3/ 240.00	27.36	5.98
Houston-Galveston-New Orleans av.Mid. 15/16"	"	Pound	Cent	XXXXX	35.98	----

Quotations of foreign markets and taxes reported by cable from U.S. Foreign Service posts abroad. U.S. quotations from designated spot markets.

1/ Ceiling price.

2/ Nominal.

3/ Price omitted from last week's table: Torreon, July 19, 1951, in pesos per Spanish quintal with U.S. cents per pound in parentheses, Middling, 15/16" 240.00 (27.36); taxes 5.98 cents.

GRAINS, GRAIN PRODUCTS AND FEEDS

U.S. RICE EXPORTS DROP IN MAY

Exports of United States rice in May totaled 130,000 bags (100 pounds) compared with 221,000 bags in the corresponding month of 1950. May exports showed a further decline from the previous smallest monthly totals of the current marketing season (August-July) in March and April of 642,000 and 433,000 bags, respectively. The principal countries of destination were Cuba, Venezuela, and Canada.

RICE: United States exports to specified countries, May 1951, with comparisons

Continent and country	August-July		August-May		May	
	1937-38 to 1941-42	1949-50	1949-50	1950-51 2/	1950	1951 2/
	1,000 bags	1,000 bags	1,000 bags	1,000 bags	1,000 bags	1,000 bags
Switzerland..	41	110	80	89	5	0
Austria......	3/	47	47	0	0	0
Greece.......	64	224	114	295	0	4/
Belgium and Luxembourg..	66	277	246	162	4	0
Other Europe	257	49	49	11	4	4/
Total	428	707	536	557	13	4/
Cuba.........	2,750	6,119	4,672	6,095	116	67
Canada.......	194	469	420	347	17	20
Venezuela....	20	220	188	249	20	36
Br. W. Indies	4/	121	116	22	4/	4/
Philippines..	4/	18	18	0	0	0
Indonesia....	5/	1,733	1,732	3	0	0
Japan	5/	1,366	439	196	4/	1
Other countries..	190	467	441	216	55	6
Total......	3,582	11,220	8,562	7,685	221	130

1/ Milled rice, including brown, broken, screenings and brewers' rice and rough rice converted to milled at 65 percent. 2/ Preliminary. 3/ Not separately classified. 4/ Less than 500 bags. 5/ If any, included in "other countries."

Bureau of the Census.

FRENCH NORTH AFRICA'S WHEAT PROSPECTS

Wheat production in French North Africa in 1951 is smaller than the large 1950 crop though about at the 1935-39 average level, according to U.S. Foreign Service reports from the 3 countries of the area. The decrease is reported in Tunisia and Algeria with production in French Morocco, in contrast, reported somewhat above the 1950 harvest. The reduction from last year's high level, when all 3 countries reported above-average crops, is attributed to reduced yields in Algeria and Tunisia. Little net change is reported in sown acreage for the area.

Unusually favorable yields are reported for French Morocco, the latest estimate placing production at 30 million bushels, 20 percent above the 1950 outturn. Weather conditions were generally favorable throughout the season except in northern areas where heavy floods and cold weather interfered with seeding of winter grains. Despite the unfavorable seeding weather in northern Morocco, soft wheat, grown principally in this area, shows an increase of more than 50 percent over the 1950 crop.

Estimates have increased progressively throughout the season. It is believed, however, that the latest official estimate did not take account of any damage caused by excessive heat immediately preceding the harvest in northern areas. Total wheat production may, therefore, turn out less than the present estimates. If current estimates do materialize, supplies will exceed domestic requirements and moderate supplies of both hard and soft wheat may be available for export. Tentative producer prices for soft wheat set for this season are 30 percent above the rate paid last season. That increase necessitated an increase in official bread prices, which were increased by about 35 percent, effective July 5.

In contrast with French Morocco's improving condition, wheat estimates have declined throughout the current season in Algeria. Unfavorable weather in April caused marked deterioration. Dry weather aggravated by hot winds caused damage, as did frosts in the first half of April. Conditions are reported least favorable in the Department of Constantine. Acreage for the country was not changed significantly from the 1950 area.

The current estimate of 34 million bushels compares with an estimated 40 million a year ago and the 1935-39 average of 35 million. Import requirements for soft wheat are tentatively set at about 3.5 million bushels. This estimate is, however, subject to revision when the rate of commercialization can be observed. With a reduction of the size indicated, any exports of hard wheat this season will be small. Exports amounting to about 5 million bushels moved during 1950-51, all to France.

The price for new-crop wheat had not been set at latest report. A substantial increase over last season's rate is expected. In line with higher prices expected, the Government recently announced an increase of about 15 percent in bread prices effective July 10. Bread prices are subject to revision when the new wheat price is definitely fixed.

Shortage of rainfall in Tunisia has caused a worsening of wheat condition throughout the season. Rains at the end of April and early in May throughout northern Tunisia came too late to be of much benefit. As the extent of the drought became apparent in March, the Government cancelled export contracts for about a million bushels of durum.

The total wheat crop is not expected to exceed 11 million bushels, compared with about 17 million in 1950. The reduction in hard wheat is greater than that for soft wheat. Hard wheat, at latest report, was expected to be down about 50 percent from the 1950 harvest.

FRENCH NORTH AFRICA: Wheat acreage and production,
averages 1935-1944, annual 1945-1951

Year	Algeria		French Morocco		Tunisia	
	Acreage	Production	Acreage	Production	Acreage	Production
	1,000 acres	1,000 bushels	1,000 acres	1,000 bushels	1,000 acres	1,000 bushels
Av. 1935-39	4,180	35,200	3,250	23,130	1,950	14,960
Av. 1940-44	3,960	29,440	3,560	25,450	1,750	10,510
1945....	3,450	12,000	2,500	6,800	2,000	7,060
1946....	3,200	36,000	2,420	27,460	1,670	12,500
1947....	3,700	24,000	3,000	24,500	1,600	11,000
1948....	3,780	38,500	2,590	26,000	2,170	11,000
1949....	3,700	39,000	2,700	24,500	2,095	20,100
1950....	3,820	40,000	2,900	25,000	1,720	16,900
1951 1/	3,950	34,000	2,950	30,000	1,600	11,000

1/ Preliminary forecasts.

From official and unofficial sources.